

March 30, 2022

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 22-27

The purpose of this All County Letter is to inform counties of the new benefit type Electronic Theft Replacement Cash Benefits Scams, that shall be used for the reimbursement of benefits that Electronic Benefit Transfer cardholders incur as a result of being scammed. This letter also provides guidance as to the measures to be taken to protect cardholders' benefits against potential scams, by instructing counties to change the cardholders' State Unique Identifier.



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



GAVIN NEWSOM
GOVERNOR

March 30, 2022

ALL COUNTY LETTER (ACL) NO. 22 – 27

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CALWORKS PROGRAM SPECIALISTS
ALL COUNTY DISTRICT ATTORNEYS
ALL COUNTY SPECIAL INVESTIGATION UNITS (SIU)
ALL CONSORTIA PROJECT MANAGERS
ALL COUNTY REFUGEE CASH ASSISTANCE (RCA) PROGRAM
COORDINATORS
ALL COUNTY CASH ASSISTANCE FOR IMMIGRANTS (CAPI)
PROGRAM SPECIALISTS
ALL EBT COORDINATORS

SUBJECT: IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER
SCAM BENEFIT TYPE

REFERENCE: [ASSEMBLY BILL 2035 \(2012\)](#); [ASSEMBLY BILL 2313 \(2018\)](#);
[WELFARE AND INSTITUTIONS CODE \(W&IC\) SECTION 10072](#);
[ALL COUNTY LETTER NO. 18-148](#); [ALL COUNTY LETTER NO. 13-67 DATED AUGUST 30, 2013](#); [ALL COUNTY WELFARE DIRECTORS LETTER \(ACWDL\) DATED DECEMBER 31, 2012](#);
MANUAL OF POLICIES AND PROCEDURES (MPP) SECTIONS
[16-705.4](#), [44-352.421](#), [20-003.1](#); [M44-350K \(12/18\) – EBT REPLACEMENT DENIAL](#)

The purpose of this All County Letter (ACL) is to inform the County Welfare Departments (CWDs) of the new scam benefit type, Electronic Theft Replacement Cash Benefits Scams (EBTSC), to be used for the reimbursement of cash benefits that the Electronic Benefit Transfer (EBT) cardholders incur as a result of being scammed. This change facilitates the tracking of scam reimbursements in ebtEDGE. This letter also provides guidance to protect cardholders' benefits against potential scams by instructing counties to change the cardholders' State Unique Identifier (SUID). This scam benefit type is different from the skimming benefit type, Electronic Theft-Replacement Cash Benefits (ETRCB), that was established through the [ACL No. 13-67](#) for claims of electronic theft by use of a skimming device. The anticipated automation date for the new scam benefit type is May 2022. Counties will be notified of the availability of the benefit type when the Statewide Automated Welfare System (SAWS) is able to implement. This benefit type has been created as a result of the revised direction provided to counties in the [ACL No. 18-148](#).

ELECTRONIC THEFT OF BENEFITS

Chapter 319, Statutes of 2012 ([AB 2035](#)) amended W&IC section 10072 to provide for the reimbursement of cash benefits lost due to skimming. Chapter 712, Statutes of 2018 ([AB 2313](#)) further amended W&IC section 10072 to extend these reimbursements to scams. A scam occurs when a cardholder is misled to unwittingly give their personal identifying information to an unauthorized third party.

W&IC section 10072(i)(2)(B) also limits reimbursements of scam claims to once in a 36-month period. Please refer to the [ACL No. 18-148](#) for further details.

EBT SCAM BENEFIT TYPE

The EBT benefit type is used to identify the various types of benefits in the EBT system. With respect to tracking electronic thefts and claims for reimbursement, the State currently uses the ETRCB as established through the [ACL No. 13-67](#) for claims of electronic theft by skimming.

Use of the new scam benefit type enables counties to track reimbursements for scam claims and ensure compliance within the 36-month limitation. Every time a county reimburses a scam claim, the county must use the new EBTSC benefit type to reimburse those benefits. The EBTSC benefit type allows counties to establish the date of the reimbursement and uniquely identify the reimbursement as a scam payment. This facilitates tracking scam reimbursements in webADMIN, also known as ebtEDGE.

Benefit Type Name:	Electronic Theft Replacement Scams
Benefit Type:	EBTSC
Aid Code:	No new aid code issued; this defaults to the cash program applicable to the case, i.e. CalWORKs, CAPI, RCA, TCVAP, and GA/GR.

The anticipated automation date for the new scam benefit type is **May 2022**. Once the scam benefit type is implemented, the CWDs will assume primary responsibility for verifying if a household has received reimbursement for a scam in the past 36 months. Until automation of the new benefit type occurs, the EBT benefit type established for ETRCB must also be used when issuing food benefit replacements due to skimming and scamming.

ISSUING ELECTRONIC THEFT BENEFITS

Electronic theft repayments must be issued through the SAWS. The electronic theft repayment must not be issued using the original aid code. As a reminder, and until a benefit type can be automated specific to food benefit replacement, the **CWDs must make a note/reference in the case file that a replacement of food benefits has been made and processed, inclusive of the date filed.**

Scam claims reimbursed prior to implementation of the EBTSC scam benefit type will not be reflected in webADMIN as scam reimbursements. Therefore, CWDs must continue reaching out to the California Department of Social Services (CDSS) for verification of scam reimbursements within the past 36 months as part of processing scam claims until this automation occurs. Please note that CWDs are also still required to search first in webADMIN when processing a scam claim.

When the CWDs receive a report of electronic theft by scam, the CWD must look in webADMIN under the client's "Benefits" tab to determine if the household has been reimbursed for a scam in the past 36 months (see Attachment 1). If a household has received reimbursement for a scam claim in the past 36 months, the county should deny the scam claim and ensure the client is aware of the reason for the denial using the existing denial notice of action (attachment 2, [M44-350K](#)). Failure to verify a prior scam claim before authorizing reimbursement of a current scam claim may result in the county bearing full responsibility to pay for the reimbursement.

SCAM REIMBURSEMENT VERIFICATION PROCESS

Scam reimbursement verification should follow this process:

1. Cardholder submits an electronic theft report alleging scam.
2. CWDs validate that the incident is, in fact, a scam.
3. CWDs search the cardholder's case in webADMIN looking for the scam reimbursement code EBTSC.
4. If webADMIN does not show scammed benefits being reimbursed for a household in the past 36 months, the CWD should email the CDSS with the cardholder's information and ask that the CDSS search in their records for a scam reimbursement.
5. The CDSS will respond to the email within one to two business days.

PROTECTION AGAINST CONTINUED THEFT BY SCAM

When a cardholder is scammed, they have given their personal identifying information to the perpetrator. The perpetrator can then use that data to change the cardholders' account and continue stealing their benefits, even after their EBT card has been deactivated and replaced. **For this reason, it is also necessary to change their SUID in the eligibility system.** Currently, this is the only way we can be confident a perpetrator cannot continue stealing benefits. The SUID consists of a two-digit county code followed by an eligibility system assigned alphanumeric case identifier. For example, 37ABC1D23E45 is reflective of an SUID for a case in San Diego County (County 37). The process for changing the SUID varies by county and should follow current county policies and procedures.

For questions regarding the information in this letter, please contact the EBT Unit at (916) 654-2125 or by email at CDSSEBT@dss.ca.gov.

Sincerely,

Original Document Signed By:

RYAN GILLETTE, Deputy Director
Research, Automation, and Data Division

Enclosures:

webADMIN SCAM Claim History

M44-350K Notice of Action: Denial Adjustment

Researching SCAM Claim History

Account #:	Also SUID #	Name:	Last name, first name	Access	Available	Acct Bal
Agency:	CAEBT	Client Status:	ACTIVE	Cash: Access	11.45	11.45
SUID:	CCXXXXXXX	Card #:	507719_0000000000	FS: Access	343.76	343.76
Client Type:	01 - PRIMARY					



ebtEDGESM Agency

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webADMIN:- Currently viewing: CALIFORNIA

Thursday, May 9, 2019

[Client / Transaction Search](#)

[Merchant Search](#)

[Help](#)

[Case](#) [Client](#) [Card](#) [Benefit](#)

[Corrections](#)

Current Benefits

[Next](#)

>>

All [Food](#)

[Cash](#)

Auth #	Status	Program	Auth Amt	Remaining Amt	Available Amt	Hold Amt	Date Available	Last Used
	ACTIVE	FSP	353.00	343.76	343.76	0.00	05/03/2019 00:00	05/08/2019
	ACTIVE	SAFEAL	391.00	11.45	11.45	0.00	05/01/2019 00:00	05/01/2019
	ACTIVE	FSP	265.00	0.00	0.00	0.00	04/03/2019 00:00	05/08/2019
	ACTIVE	TANF	635.00	0.00	0.00	0.00	04/01/2019 00:00	05/01/2019
	ACTIVE	TANF	577.00	0.00	0.00	0.00	03/01/2019 00:00	03/03/2019
	ACTIVE	FSP	291.00	0.00	0.00	0.00	03/01/2019 00:00	03/03/2019
	ACTIVE	ETRCB	488.00	0.00	0.00	0.00	03/01/2019 00:00	04/01/2019
	ACTIVE	WTWNF	100.00	0.00	0.00	0.00	02/20/2019 00:00	03/22/2019
	ACTIVE	TANF	577.00	0.00	0.00	0.00	02/01/2019 00:00	02/03/2019
	ACTIVE	ETRCB	556.00	0.00	0.00	0.00	02/01/2019 00:00	02/20/2019
	ACTIVE	WTWNF	100.00	0.00	0.00	0.00	01/25/2019 00:00	02/15/2019
	ACTIVE	TANF	222.00	0.00	0.00	0.00	01/24/2019 00:00	01/25/2019

State of California
Department of Social Services

Noa Msg Doc No.: M44-350K Page 1 of 1
Action : Denial Adjustment
Issue: EBT Theft Resolution
Title: EBT Replacement Denial

Auto ID No.:
Source :
Issued by :

Use Form No. : NA 290
Original Date : 10/01/02
Revision Date : 11/01/2021

Reg Cite : WIC 10072, 44-350, Ortega v. Johnson, MPP section 63-603

MESSAGE:

The County has denied your request for replacement of \$_____to your EBT benefit account.

HERE IS WHY:

- [] You did not file a police report and you did not tell us you had a good reason.
- [] You did not file a police report and you claimed you had a good reason, but the county determined you did not.
- [] Your claim has been investigated and found that electronic theft of benefits did not happen.
- [] You gave your EBT card and/or PIN to someone.
- [] Your benefits were already replaced.
- [] You did not file a claim with EBT Customer Service. Please call 1-(877)328-9677 to file a claim.
- [] You asked for the replacement of cash benefits more than 90 days after the date of the electronic theft.
- [] You reported the loss of food benefits more than 10 days after the date of the electronic theft.
- [] You filed a completed EBT 2259 form more than 90 days after the date of the electronic theft.
- [] Your EBT card was lost or stolen.
- [] Your scammed electronically stolen cash benefits have already been replaced within 36 months.
- [] Your electronically stolen food benefits have already been replaced twice within 6 months.

If you disagree with this action, you can request a hearing. The back of this notice tells you how. If you do apply for a hearing, you will not be able to get "aid paid pending."

INSTRUCTIONS: To be sent to client when denying their electronic theft claim (M44-350K).